



A C WHARTON, JR. – Mayor
GEORGE M. LITTLE – Chief Administrative
Officer

DIVISION OF HUMAN RESOURCES
QUINTIN ROBINSON – Director
Health, Wellness and Benefits

September 26, 2013

RE: Health Care Exchange (Marketplace) Notice

Dear Regular Full-Time Employee:

As required by law, you are receiving the enclosed Health Care Exchange (Marketplace) Notice. Beginning January 1, 2014, most Americans will be required to have health insurance coverage and if you do not, you may be required to pay a penalty.

The law opens additional options where you can enroll in a medical plan offered by your employer or buy insurance at the Marketplace. Some Americans may be eligible for a government subsidy or tax credit if their household income does not exceed the set ranges.

You, as a regular full-time employee, are eligible to enroll in a medical plan option offered by the City of Memphis. Because the City of Memphis offers healthcare coverage that meets the standards as defined by the Affordable Care Act, it is not expected that you will meet the eligibility guidelines for the government subsidy or tax credit if you choose to buy insurance at the marketplace.

Please read the notice carefully and refer to your available benefit options at <http://www.memphistn.gov/Government/HumanResources/Health,Wellness,andBenefits.aspx> or you can visit the Marketplace website at www.healthcare.gov to evaluate your coverage options, including eligibility and cost.

Sincerely,

Health Wellness and Benefits

NOTICE: New Health Insurance Marketplace Coverage Options and Your Health Care

PART A: General Information

When key parts of the health care law take effect in 2014, there will be a new way to buy health insurance: the Health Insurance Marketplace. To assist you as you evaluate options for you and your family, this notice provides some basic information about the new Marketplace and employment-based health coverage offered by the City of Memphis.

What is the Health Insurance Marketplace?

The Marketplace is designed to help you find health insurance that meets your needs and fits your budget. The Marketplace offers "one-stop shopping" to find and compare private health insurance options. You may also be eligible for a new kind of tax credit that lowers your monthly premium right away. Open enrollment for health insurance coverage through the Marketplace begins in October 2013 for coverage starting as early as January 1, 2014.

Can I Save Money on my Health Insurance Premiums in the Marketplace?

You may qualify to save money and lower your monthly premium, but only if your employer does not offer coverage, or offers coverage that doesn't meet certain standards. The savings on your premium that you're eligible for depends on your household income.

Does Employer Health Coverage Affect Eligibility for Premium Savings through the Marketplace?

Yes. If you have an offer of health coverage from your employer that meets certain standards, you will not be eligible for a tax credit through the Marketplace and may wish to enroll in your employer's health plan. However, you may be eligible for a tax credit that lowers your monthly premium, or a reduction in certain cost-sharing if your employer does not offer coverage to you at all or does not offer coverage that meets certain standards. If the cost of a plan from your employer that would cover you (and not any other members of your family) is more than 9.5% of your household income for the year, or if the coverage your employer provides does not meet the "minimum value" standard set by the Affordable Care Act, you may be eligible for a tax credit.¹

Note: If you purchase a health plan through the Marketplace instead of accepting health coverage offered by your employer, then you may lose the employer contribution (if any) to the employer-offered coverage. Also, this employer contribution—as well as your employee contribution to employer-offered coverage—is often excluded from income for Federal and State income tax purposes. Your payments for coverage through the Marketplace are made on an after-tax basis.

How Can I Get More Information?

For more information about your coverage offered by your employer, please check your summary plan description or contact City of Memphis, Health Wellness and Benefits at 901-636-6800.

The Marketplace can help you evaluate your coverage options, including your eligibility for coverage through the Marketplace and its cost. Please visit HealthCare.gov for more information, including an online application for health insurance coverage and contact information for a Health Insurance Marketplace in your area.

¹ An employer-sponsored health plan meets the "minimum value standard" if the plan's share of the total allowed benefit costs covered by the plan is no less than 60 percent of such costs.

PART B: Information About Health Coverage Offered by Your Employer

This section contains information about any health coverage offered by the City of Memphis. If you decide to complete an application for coverage in the Marketplace, you will be asked to provide this information. This information is numbered to correspond to the Marketplace application.

3. Employer name City of Memphis		4. Employer Identification Number (EIN) 62-6000361	
5. Employer address 2714 Union Avenue Ext., 5th Floor, Room 100		6. Employer phone number (901) 636-6800	
7. City Memphis		8. State TN	9. ZIP code 38112
10. Who can we contact about employee health coverage at this job? Health Wellness and Benefits			
11. Phone number (if different from above)		12. Email address – N/A	

Here is some basic information about health coverage offered by City of Memphis:

- As your employer, we offer a health plan to:

All Regular Full-time Employees

- With respect to dependents: We do offer coverage. Eligible dependents are:

Lawful spouse of the opposite sex, dependents to age 26 (child who is married or unmarried and is your biological, legally adopted, or stepchild of you and/or your spouse).

☒ If checked, this coverage meets the minimum value standard, and the cost of this coverage to you is intended to be affordable, based on employee wages.

** Even if your employer intends your coverage to be affordable, you may still be eligible for a premium discount through the Marketplace. The Marketplace will use your household income, along with other factors, to determine whether you may be eligible for a premium discount. If, for example, your wages vary from week to week (perhaps you are an hourly employee or you work on a commission basis), if you are newly employed mid-year, or if you have other income losses, you may still qualify for a premium discount.

If you decide to shop for coverage in the Marketplace, [HealthCare.gov](https://www.healthcare.gov) will guide you through the process. Here's the City of Memphis information you'll enter when you visit [HealthCare.gov](https://www.healthcare.gov) to find out if you can get a tax credit to lower your monthly premiums.

13. Is the employee currently eligible for coverage offered by the City of Memphis, or will the employee be eligible in the next 3 months?

☒ **Yes** (Continue)

13a. If the employee is not eligible today, including as a result of a waiting or probationary period, when is the employee eligible for coverage? **1st of month following 30 days** (Continue)

No (Stop and return this form to employee)

14. Does City of Memphis offer a health plan that meets the minimum value standard*?

☒ **Yes** (Go to question 15) No (STOP and return form to employee)

15. For the lowest-cost plan that meets the minimum value standard* offered only to the employee

The cost is \$84.00 monthly